

What's New for 2007

Electronic Disclosure of Expenditures to Support/Oppose State Ballot Measures:

Section 84204.5 was added to the Political Reform Act by AB 1759 (Chapter 438, Stats. 2006) requiring recipient committees that are required to file campaign reports electronically with the Secretary of State to file an electronic report within 10 business days if contributions or independent expenditures totaling \$5,000 or more are made to support or oppose the qualification or passage of a single state ballot measure. The report is not required to be filed by primarily formed ballot measure committees for expenditures made consistent with the purpose for which the committee was formed. (See page 8-8.)

Telephone Advertisements: Section 84310 was added to the Act by AB 2275 (Chapter 439, Stats. 2006) requiring candidates and committees that use campaign funds to make 500 or more telephone calls to disclose the name of the person or organization that authorized or paid for the call. The committee must keep a script of the call or a copy of a recorded telephone call for four years. Certain exceptions apply. (See pages 2-4 and 4-6.)

Installment Payments: Regulations 18216 and 18421.1 were amended to clarify that contributions received via "installment" payments charged to a credit card or deducted from a contributor's account are reported when each installment payment is received and that such arrangements do not constitute an "enforceable promise" to make a contribution. (See pages 2-2, 3-2, and 7-8.)

Aggregating Contributions: Regulation 18428 was amended to specify how a major donor committee (such as a corporation) must report contributions that are aggregated

with contributions made by other entities (such as its parent or subsidiaries), and how the recipient must report aggregated contributions. (See page 7-7.)

Contribution Limits: The Act imposes limits on contributions to candidates for elective state office, their controlled committees, and committees that receive contributions for the purpose of making contributions to state candidates. The Fair Political Practices Commission is required to adjust the contribution limits every odd-numbered year to reflect changes in the Consumer Price Index. In most cases, contributions to and expenditures by a primarily formed ballot measure committee are not affected by these limits, unless the committee is controlled by a candidate for elective state office, or the committee uses its funds for communications that identify a state candidate. Regulation 18545 was amended to adjust the contribution limits for 2007-2008. (See page 3-10.)